

D.A. #D1DC21900021 MNI # 1727300 TRN: DPS: 26990120 Court: 460th

The State of Texas v. CARL POLLOCK

INDICTMENT

COUNT I: FRAUD SELL SECURITIES >=\$100K - VCS 581-29(C)(1)(c) - F1

COUNT II: THEFT PROP>=\$300K - PC 31.03(e)(7) - F1

COUNT III: MONEY LAUNDERING >=\$300K - PC 34.02(e)(4) - F1

Bond \$

In The 167th Judicial District Court of Travis County, Texas

IN THE NAME AND BY THE AUTHORITY OF THE STATE OF TEXAS:

THE GRAND JURY, for the County of Travis, State of Texas, duly selected and empaneled, sworn, charged, and organized as such at the January Term, 2021 of the 167TH Judicial District Court for said county, upon its oath present, in and to said Court at said term, that Carl William Pollock, in the County of Travis and State of Texas on or about the dates listed below, and before the presentment of this indictment, in Travis County, Texas, did then and there, directly and through agents, sell and offer for sale investments in HRA-Healthcare Recovery Advisors, LLC (hereafter "HRA") and HRM-Healthcare Resource Management, LLC and Associated Healthcare Technologies, LLC (hereafter "HRM-AHT") said investments being securities, to wit: investments contracts and evidences of indebtedness, to each of the persons listed below, and in the following amounts:

DocuSigned by:



Filed in the District Court
Of Travis County, Texas
Velva L. Price, District Clerk

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DATE OF INVESTMENT	PERSON	AMOUNT OF INVESTMENT
08/21/2013	ROBERT W. MCDONALD III AS MCDONALD FAMILY INVESTMENTS, LTD	\$ 50,000.00
11/13/2013	STUART DAMORE AS PD & SD, LLC	\$ 50,000.00
11/25/2013	ROBERT SPURK, JR.	\$ 25,000.00
11/25/2013	MICHAEL L. SCHINDEL	\$ 25,000.00
11/27/2013	RAY M. BRANSON	\$ 25,000.00
12/31/2013	RAY M. BRANSON AS MED MT INC.	\$ 25,000.00
12/31/2013	BRYAN KASTLEMAN AS AN EYE TOWARD RETIREMENT, LLC	\$ 25,000.00
01/10/2014	BRYAN KASTLEMAN AS RIVER RETREAT 1228 LLC	\$ 25,000.00
01/29/2014	JOSEPH STEVEN WOSKOW	\$ 25,000.00
01/29/2014	STEVEN H. SHAKIN	\$ 25,000.00
01/29/2014	MARGARET KRASOVEC	\$ 25,000.00
01/31/2014	ROBERT HOOTKINS	\$ 25,000.00
02/21/2014	JOEL E. MILLER	\$ 25,000.00
02/21/2014	DEBRA G. MILLER	\$ 25,000.00
03/06/2014	BRYAN KASTLEMAN AS RIVER RETREAT 1228 LLC	\$ 50,000.00
03/06/2014	ROBERT L. KAY	\$ 25,000.00
03/10/2014	ROBERT EHRLICH AS EHRLICH ANDERSON LTD	\$ 25,000.00
03/11/2014	WILLIAM G. HOWZE	\$ 25,000.00
03/12/2014	JUSTIN WALLWAY AS ELDY, LLC	\$ 25,000.00
03/13/2014	MICHAEL L. SCHINDEL	\$ 25,000.00
03/14/2014	THOMAS CROWSON	\$ 25,000.00
04/28/2014	STUART DAMORE AS PD & SD, LLC	\$ 25,000.00
05/06/2014	SCOTT M. MILLER	\$ 25,000.00
09/29/2014	STUART DAMORE AS PD & SD, LLC	\$ 25,000.00
10/08/2014	BRYAN KASTLEMAN AS RIVER RETREAT 1228, LLC	\$ 25,000.00
10/14/2014	JOEL E. MILLER	\$ 25,000.00
10/17/2014	THOMAS CROWSON	\$ 15,000.00
10/17/2014	THOMAS CROWSON AS NOSWORC HOLDINGS, LP	\$ 10,000.00
10/20/2014	MICHAEL L. SCHINDEL	\$ 25,000.00
10/29/2014	LESTER KASTLEMAN	\$ 25,000.00
12/02/2014	NANCY SHAPIRO & BETH MCDANIEL AS WOSKOW INTERESTS, LTD	\$ 25,000.00
02/13/2015	FRED WILDER	\$ 25,000.00
03/10/2015	JUSTIN WALLWAY AS ELDY, LLC	\$ 50,000.00
04/21/2015	LARRY POLLOCK, PHD AND ASSOCIATES	\$ 5,000.00
04/23/2015	CRAIG MC MAHEN	\$ 200,000.00
07/20/2015	STUART DAMORE AS PD & SD, LLC	\$ 25,000.00
10/02/2015	BRYAN KASTLEMAN AS RIVER RETREAT 1228, LLC	\$ 100,000.00
10/16/2015	SCOTT MICHAEL MILLER	\$ 50,000.00
10/21/2015	JOEL E. MILLER	\$ 50,000.00
11/04/2015	WILLIAM G. HOWZE	\$ 25,000.00
11/04/2015	WILLIAM G. HOWZE & LOGAN HOWZE	\$ 25,000.00
11/10/2015	STUART DAMORE AS PD & SD, LLC	\$ 50,000.00

11/10/2015	BRYAN KASTLEMAN AS AN EYE TOWARD RETIREMENT, LLC	\$ 50,000.00
01/12/2016	MICHAEL SCHINDEL	\$ 25,000.00
01/21/2016	ERIC B. STUMBERG AS EBS HOLDINGS LTD	\$ 50,000.00
03/16/2016	FRED WILDER	\$ 25,000.00

and said defendant committed fraud in connection with the sales and offers for sale of said securities by:

PARAGRAPH ONE

intentionally failing to disclose funds invested by investors in HRA were being used by the defendant to pay the personal expenses of the defendant; said information being a material fact; and

PARAGRAPH TWO

knowingly and intentionally representing funds invested by investors in HRA would be used for the purpose of pursuing financial recoveries from insurance companies on behalf of healthcare providers, said information being a misrepresentation of a relevant fact; and

PARAGRAPH THREE

knowingly and intentionally representing management would receive salaries totaling \$100,000.00, said information being a misrepresentation of a relevant fact; and

PARAGRAPH FOUR

knowingly and intentionally misrepresenting the high and low rates of returns investors in HRA could expect to receive, said information being a misrepresentation of a relevant fact; and

PARAGRAPH FIVE

intentionally failing to disclose funds invested by investors in HRM-AHT were being used by the defendant to pay the personal expenses of the defendant; said information being a material fact; and

PARAGRAPH SIX

knowingly and intentionally representing funds invested by investors in HRM-AHT would be used for the purpose of facilitating the marketing of The Combined Solution, said information being a misrepresentation of a relevant fact; and

PARAGRAPH SEVEN

knowingly and intentionally misrepresenting the high and low rates of returns investors in HRM-AHT could expect to receive, said information being a misrepresentation of a relevant fact; and

PARAGRAPH EIGHT

intentionally failing to disclose on or about February 28, 2012, the defendant filed a voluntary petition in bankruptcy for relief under Chapter 11 of the U.S. Bankruptcy Code in Case Number 12-10393-hcm in the United States Bankruptcy Court for the Western District of Texas, Austin Division, and said bankruptcy was closed on December 17, 2014, said information being a material fact; and

PARAGRAPH NINE

intentionally failing to disclose on or about April 10, 2012, a lawsuit was filed against the defendant in the 353rd Judicial District Court, Travis County, Texas, in Cause Number D-1-GN-12-001057, styled *Plein Aire Strategies, LLC, as assignee of American National Bank vs. C. William Pollock*, alleging a suit on debt, and on or about February 5, 2013, a final judgment was entered against the defendant in favor of the plaintiff, Plein Aire Strategies, LLC, as assignee of American National Bank, in the amount of \$131,575.34, prejudgment interest of \$5,028.70, fees of \$376.17, and attorney's fees of \$25,000.00, said information being a material fact; and

PARAGRAPH TEN

intentionally failing to disclose that on or about February 26, 2013, a lawsuit was filed against the defendant in the 126th Judicial District Court, Travis County, Texas, in Cause Number D-1-GN-13-000711, styled *Frost Bank v. Carl William Pollock, Eugene Miles Prentice and Richard M. Spaziano*, alleging a suit on a debt, and on or about August 5, 2015, an Order and Final Summary

Judgment was entered against Carl William Pollock in favor of the plaintiff, Frost Bank, in the amount of \$360,471.60, said information being a material fact,

and all said amounts were obtained pursuant to one scheme and continuing course of conduct, and the aggregate amount obtained was \$100,000.00 or more,

Count II

And the Grand Jury further presents in and to said Court at said term that Carl William Pollock, on or about the dates listed below, and before the presentment of this indictment, in Travis County, Texas, did then and there unlawfully appropriate, to wit: acquire and exercise control over property, other than real property, to wit: current money of the United States of America, from the following owners and in the following amounts:

DATE OF APPROPRIATION	OWNER	AMOUNT APPROPRIATED
08/21/2013	ROBERT W. MCDONALD III AS MCDONALD FAMILY INVESTMENTS, LTD	\$ 50,000.00
11/13/2013	STUART DAMORE AS PD & SD, LLC	\$ 50,000.00
11/25/2013	ROBERT SPURK, JR.	\$ 25,000.00
11/25/2013	MICHAEL L. SCHINDEL	\$ 25,000.00
11/27/2013	RAY M. BRANSON	\$ 25,000.00
12/31/2013	RAY M. BRANSON AS MED MT INC.	\$ 25,000.00
12/31/2013	BRYAN KASTLEMAN AS AN EYE TOWARD RETIREMENT, LLC	\$ 25,000.00
01/10/2014	BRYAN KASTLEMAN AS RIVER RETREAT 1228 LLC	\$ 25,000.00
01/29/2014	JOSEPH STEVEN WOSKOW	\$ 25,000.00
01/29/2014	STEVEN H. SHAKIN	\$ 25,000.00
01/29/2014	MARGARET KRASOVEC	\$ 25,000.00
01/31/2014	ROBERT HOOTKINS	\$ 25,000.00
02/27/2014	JOEL E. MILLER	\$ 25,000.00
02/27/2014	DEBRA G. MILLER	\$ 25,000.00
03/06/2014	BRYAN KASTLEMAN AS RIVER RETREAT 1228 LLC	\$ 50,000.00
03/06/2014	ROBERT L. KAY	\$ 25,000.00
03/10/2014	ROBERT EHRLICH AS EHRLICH ANDERSON LTD	\$ 25,000.00
03/11/2014	WILLIAM G. HOWZE	\$ 25,000.00
03/12/2014	JUSTIN WALLWAY AS ELDY, LLC	\$ 25,000.00

03/13/2014	MICHAEL L. SCHINDEL	\$ 25,000.00
03/14/2014	SELF DIRECTED IRA SERVICE FBO THOMAS CROWSON	\$ 25,000.00
04/28/2014	STUART DAMORE AS PD & SD, LLC	\$ 25,000.00
05/06/2014	SCOTT M. MILLER	\$ 25,000.00
09/29/2014	STUART DAMORE AS PD & SD, LLC	\$ 25,000.00
10/08/2014	BRYAN KASTLEMAN AS RIVER RETREAT 1228, LLC	\$ 25,000.00
10/14/2014	JOEL E. MILLER	\$ 25,000.00
10/17/2014	SELF DIRECTED IRA SERVICES FBO THOMAS CROWSON	\$ 15,000.00
10/17/2014	THOMAS CROWSON AS NOSWORC HOLDINGS, LP	\$ 10,000.00
10/20/2014	MICHAEL L. SCHINDEL	\$ 25,000.00
10/29/2014	LESTER KASTLEMAN	\$ 25,000.00
12/02/2014	NANCY SHAPIRO & BETH MCDANIEL AS WOSKOW INTERESTS, LTD	\$ 25,000.00
02/13/2015	FRED WILDER	\$ 25,000.00
03/10/2015	JUSTIN WALLWAY AS ELDY, LLC	\$ 50,000.00
04/23/2015	CRAIG MC MAHEN	\$ 200,000.00
07/20/2015	STUART DAMORE AS PD & SD, LLC	\$ 25,000.00
10/02/2015	BRYAN KASTLEMAN AS RIVER RETREAT 1228, LLC	\$ 100,000.00
10/16/2015	SCOTT MICHAEL MILLER	\$ 50,000.00
10/21/2015	JOEL E. MILLER	\$ 50,000.00
11/04/2015	WILLIAM G. HOWZE	\$ 25,000.00
11/04/2015	WILLIAM G. HOWZE & LOGAN HOWZE	\$ 25,000.00
11/10/2015	STUART DAMORE AS PD & SD, LLC	\$ 50,000.00
11/10/2015	BRYAN KASTLEMAN AS AN EYE TOWARD RETIREMENT, LLC	\$ 50,000.00
01/12/2016	MICHAEL SCHINDEL	\$ 25,000.00
01/21/2016	ERIC B. STUMBERG AS EBS HOLDINGS LTD	\$ 50,000.00
03/16/2016	FRED WILDER	\$ 25,000.00

and said appropriations were without the effective consent of said owners in that consent was induced by deception to wit:

- a. defendant created and confirmed, by words and conduct, false impressions of fact that were likely to affect the judgment of owners in the transactions that defendant did not believe to be true; and
- b. defendant failed to correct false impressions of fact that were likely to affect the judgment of owners in the transactions, that defendant previously created and confirmed by words and conduct, and defendant did not at the time believe to be true; and
- c. defendant promised performance that affected the judgment of owners in the transactions that defendant did not intend to perform and knew would not be performed;

and said defendant acted with the intent to deprive said owners of said property by withholding said property permanently and for so extended a period of time that a major portion of the value and enjoyment of said property was lost to owners, and by disposing of said property in a manner that made recover of said property by owners unlikely;

and all said amounts were obtained pursuant to one scheme and continuing course of conduct, and the aggregate amount obtained was \$300,000.00 or more,

Count III

And the Grand Jury further presents in and to said Court at said term that Carl William Pollock, on or about and between the dates of August 21, 2013 and March 16, 2016, and before the presentment of this indictment, in Travis County, Texas, did then and there

knowingly acquire and maintain an interest in, possess, and transfer the proceeds of criminal activity, to wit: current money of the United States of America, in the aggregated amount of \$300,000.00 or more; and said proceeds were generated from the commission of the offense of Theft of Property in the aggregated amount of \$300,000.00 or more, a felony under the laws of the State of Texas; and the commission of fraud in connection with the sale and offer for sale of securities in the aggregated amount of \$100,000.00 or more, a felony under the laws of the State of Texas;

and all said amounts were obtained pursuant to one scheme and continuing course of conduct, and the aggregate amount obtained was \$300,000.00 or more,

against the peace and dignity of the State,

DocuSigned by:

Tiffany Price

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For person of the Grand Jury